

To: McGrath, Shaun[McGrath.Shaun@epa.gov]
From: McCabe, Janet
Sent: Mon 2/15/2016 7:58:18 PM
Subject: RE: from weekend report

That;d be interesting to hear about when it's timely. I've asked OAQPS to tee up meetings to discuss each of the major RH decisions that are still pending from the first round, so we can all be on the same page about timing, prioritize and properly resource actions we want to move significantly forward on in 2016, and all understand what options there might be (from the state and utility perspective) for settlements or options for alternative paths.

From: McGrath, Shaun
Sent: Monday, February 15, 2016 2:09 PM
To: McCabe, Janet <McCabe.Janet@epa.gov>
Subject: Re: from weekend report

Not yet. We really just discussed process, timing and options for engaging. It was a good meeting, and may lead to effort to negotiate a settlement with state, owners of Colstrip and enviros.

Sent from my iPhone

On Feb 15, 2016, at 11:54 AM, McCabe, Janet <McCabe.Janet@epa.gov> wrote:

Thanks, Shaun—anything from the regional haze discussion that we should talk about?

From: McGrath, Shaun
Sent: Monday, February 15, 2016 12:55 PM
To: McCabe, Janet <McCabe.Janet@epa.gov>
Subject: from weekend report

Weekend Report from R8

Uinta and Ouray Indian Reservation Proposed FIP for Existing Oil and Natural Gas Well Production Facilities -- Ozone levels in the Uinta Basin have exceeded the ozone standard numerous times over the past few years and represent a serious public health

concern. Wintertime ozone in the basin has caused the first exceedances in the nation of the new ozone NAAQS in 2016. Six different monitors in the basin have recorded a total of 27 exceedances to date in CY16. Preliminary data, (not yet QA'd or certified) at the Ouray monitor in the basin is currently showing an 8 hour average ozone above 100 ppb, and five additional monitors also have values exceeding the ozone NAAQS with 8 hour averages in the mid 70s to mid 80s.

Approximately 98 % of VOC and 60 % of NO_x emissions released in the Uinta Basin are from existing oil and natural gas production operations under the Clean Air Act. Furthermore, approximately 78 % of oil and natural gas sources are on Indian country lands within the U&O Indian Reservation which are largely unregulated, with no control obligations.

EPA Region 8 is proposing to promulgate a FIP specific to the U&O Reservation that will fill a regulatory gap with regard to controlling VOC emissions from existing sources within the U&O Reservation that are not covered by the proposed national FIP for Indian country. We continue to engage in consultation discussions with the Tribe related to this rule. The draft FRN has circulated within EPA Region 8, OAQPS and OGC at the staff level since mid-November. We are currently finishing responses to comments from this internal review. The proposed U&O FIP was listed as Tier 3 in the ADP Tracker and we submitted a justification for non-significance for OMB's consideration. OMB has determined that the rule is significant and they will review it. Although there is no court ordered or other deadline associated with this rule, given the serious air quality concerns in the basin, the region desires to move this rule quickly in order to achieve VOC reductions in the basin, while mindful that it needs to follow closely with the national oil and gas rulemaking schedule. Our coordination and consultation efforts with the Tribal Council were slowed over the past month, but appear to be back on track.

Montana and CPP -- I met last week with Tim Baker, who is the point person in Gov. Bullock's office on CPP. We had planned to discuss Regional Haze and CPP, however, as the meeting happened the day after the Supreme Court stay, we focused instead on Regional Haze. Regarding CPP, Tim said he had not yet received direction from the Governor, but that he thought it would be very difficult for MT to continue work on the CPP in light of the stay.

Sent from my iPad